



Assistance Administrator
Environmental Protection Agency
Office of solid Waste and Emergency Response
1200 Pennsylvania Avenue NW
MC 5101T
Washington, DC 20460

Aug. 6, 2002

Att: Ms. Marianne Horinko,

Thank you for visiting Libby MT the week of July 22, 2002.

My husband and I attended a City Hall Meeting where you were addressing the community. After the meeting we introduced our selves and commented to you " We are hoping to get our land restored to us this year. If we would have had that chance to visit with you we would of been able to convey our concerns. Now I would like to take this opportunity to do just that.

In the year of 2000. We signed an access agreement with the EPA for clean up of our Nursery property with the understanding that the property would be cleaned in a six month time frame and returned to us in October 2000. How ever, we would have to deal with our business losses through WR Grace . Again knowing the agreement was just for 6 months and we would have the contamination removed and the land restored. We would then be able to continue our business and renew our seedling contracts, rental agreements, and continue the Reishi Mushroom project, for the year 2001. An Appraisal was completed and approved by EPA. We were told by Mr. Paul Peronard that we would receive replacement costs for the destroyed buildings and home. Volpe employees also insured my husband and myself several time not to worry about costs. . WR Grace was paying for the cost so every thing was "okay". In Nov. 2000 Paul Peronard held a meeting in the EPA office and told us that EPA no longer would pay replacement cost because a change of policy. We asked for the change in writing however we were never privileged to it.

In the year of 2000 WR Grace closed the mine site and would not allow EPA to haul the contaminated soil to the mine. As a result, all the contamination along with our crushed business inventory , personal belonging, house, buildings and greenhouses remained on the property. The season came to an end with a promise to return our property to full restoration by Oct, 2001.

In year 2001 Marco worked very hard to complete the project, however the calculations of the amount of contaminated soil and debris to be removed was wrong and therefore Marco ran out of time and another year had come and gone.

This is now the third year, 2002. Several mistakes were made by the Volpe employees, Paul Kudarokus and Courtney Zamara, and CDM in regard to the soil placement on the property and the placement of the rip rap on Rainy Creek.

This year so far Marco has spent their valuable time redoing the screw ups of these people by removing 11,000 yards of non spec material and replacing it with clean soil.

It is the 8th of Aug. 2002 and we now have internal contractual problems between EPA, Volpe, and Marco that are impacting the timely clean-up of our property.

As of today we have been told by EPA "If we didn't like what was going on "Just sue us" by Duc Nguyen. When we have questions, Courtney Zamara quote "I have 15 million things to do". During the clean-up of contaminated soil when questionable soils were provided by me for verification the comment was "you are freaking me out over nothing" was the response. During a CDM, Volpe, Marco meeting with us at the EPA trailer office on site Mr. Paul Kudarakaus stated "The property will be so clean I {Lerah Parker} could lay in the snow and show my rosy red ----- to the whole world." We have reviewed the restoration plans that have been revised several times to date. Julie Borgesi just can't take notes at our meetings, return to Boston and remember what was said. At times we feel that these people are insensitive, inexperienced and non professionalism.

We did not receive the stipend payment for June and July of 2002, because the Volpe center did not send us the invoices necessary to receive the stipend payment so that we can pay our bills for those months. Our records show this is the third time!


EPA has said "We as citizens need to keep their feet {EPA} to the fire and they will get the job done". EPA is willing to work to see that businesses in town have little disruption and minimize the effect of the clean up on their property. EPA is willing to relocate those businesses that needs clean-up. So what happened to re-locating Raintree Nursery? We have been out of business now for 3 years. The only answer we were given is "It's WR Grace responsibility. and we must deal with WR Grace".

Does the EPA have a double standard? EPA mandated WR Grace to relocate Millwork West located at the former export plant and move them to a new location. {See enclosure page10} In addition, Millwork West was fortunate to be able to keep their equipment {planner, vehicles, forklift, lumber and tools. WR Grace cleaned and returned these items which allowed Millwork West to stay in business. We were also an immediate health concern to the public. All of our equipment, vehicles, tractor, forklift, furniture, clothing, was destroyed, because it could not be cleaned, well in excess of 3000 items,

Since our land was not returned in a timely manner, for whatever reasons, we would appreciate getting it back ASAP with some consideration for re-locating at least part of Raintree Nursery at another location. According to the action memorandum amendment {see enclosure pages 8,9,16,and 17} we feel that setting another business at this location maybe a health hazard to employees and the public. The mine site and the lower Rainy Creek drainage is still a problem in terms of asbestos exposure.

I have been directly humiliated and frustrated. Please review this information and give us your comments. If you have questions or concerns please feel free to contact us. We are hoping to find closure to this situation. WR Grace and EPA can fight about asbestos and methodology for year. However we need to get on with our lives.

Sincerely yours,



Lerah Parker
PO Box 609
Libby, MT 59923
406 293-9705

CC: Christi Whitman
Jack McGraw
Robby Roberts
John Wardell
Max Baucus
Tom Lewis
Eric Thueson
Paul Peronard
John McQuiggen

487393



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 500
DENVER, CO 80202-2466

ADMINISTRATIVE RECORD

Ref: 8EPR-ER

JUL 20 2001

ACTION MEMORANDUM AMENDMENT

SUBJECT: Request for headquarters approval of a ceiling increase beyond \$6 million and a modification of the proposed scope of response for the Time-Critical Removal Action at the **Libby Asbestos Site** - Libby, Lincoln County, Montana.

FROM: Jack W. McGraw *Jack McGraw*
Acting Regional Administrator

TO: Michael Shapiro
Acting Assistant Administrator
Office of Solid Waste and Emergency Response

THROUGH: Larry Reed, Acting Director
Office of Emergency and Remedial Response

Site ID#: BC

Category of Removal: Time Critical, Non-NPL, EPA Fund-Lead

I. PURPOSE

The purpose of this ACTION MEMORANDUM AMENDMENT is to request and document headquarters approval of a ceiling increase beyond \$6 million, and to modify the scope of the Removal Action described herein at the Libby Asbestos site (Site), located in Libby, Lincoln County, Montana. The initial Removal Action was authorized by the Action Memorandum dated May 23, 2000, and addressed the threats posed by high levels of amphibole asbestos at the Screening Plant (EPA-lead) and the Export Plant (PRP-lead).

During the course of the removal, W.R. Grace (Grace) and Kootenai Development Company (KDC) denied access to both the mine and to some parcels within the Screening Plant. EPA had proposed to use the mine as a repository for contaminated soil and contaminated building debris removed from the Screening Plant. The denial of access forced EPA to stockpile contaminated soil and debris and prevented its final disposal last year. Also, this denial prevented EPA from cleaning up several parts of the Screening Plant. Thus, the denial of access impeded EPA's ability to complete the removal action and increased its cost. On-going sampling has



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mine tailings containing the amphibole asbestos. Likewise, the presence of the small piles of vermiculite material next to each fence post along the walking track indicates the exposure to asbestos of the people installing or maintaining the fence and path. There is also a release which poses a threat to people using this path. If it is confirmed by USGS that the material believed to be "tremolite rocks" are in fact this material, this would add another source of disposed material found on the soil surface near the running tracks, possibly containing 80% asbestos or more.

d. The Seifkie and Brownlee Properties: Amphibole asbestos has been disposed of at both of these locations. At the Seifkie property it is mostly associated with the salvaged mine equipment, but has also been tracked into the Seifkie's home, and onto the ground. At the Brownlee property the amphibole asbestos is contained in a relatively small stockpile of unexfoliated vermiculite. Fortunately, the Brownlee's have apparently not spread the material through their yard or home, and their newborn baby is too young to play in the pile. However, because the vermiculite material containing the amphibole asbestos is found in unsodded areas and stock piles, there is the potential for the amphibole asbestos to be wind blown, or tracked further by human activities into homes and other properties. Based on community interviews it is likely that the stockpiled vermiculite (such as at the Brownlee property) was generally intended to be incorporated into gardens or yards, or used as backfill. This would have the double effect of adding another direct exposure pathway, and further spreading the amphibole asbestos.

e. The Rainy Creek Road: Amphibole asbestos has been spread onto Rainy Creek Road, evidently in at least three ways. According to Alan Stringer, (current president of KDC, the Grace point of contact in Libby, and former Grace mine manager in Libby) asbestos containing materials, possibly tailings and/or pyroxene sands, were used to sand the roads in winter. This is consistent with the levels of asbestos found on the surface of the Road. In addition, especially in the vicinity of the upper tailings pond, vermiculite mine tailings (and associated asbestos up to 5% by PLM) can be found in the subsurface and shoulder of Rainy Creek Road. This indicates that the vermiculite tailings were incorporated into the road base, either through original construction or road repair. The third way that contamination has come to be found in or along Rainy Creek Road is in the remnants of former material stockpiles, or the use of vermiculite in runaway truck ramps.

The placement of the amphibole asbestos materials into and onto the Rainy Creek Road corridor constitutes a release of a hazardous substance. This release can be further aggravated by wind and human activities. For example, as discussed earlier, unless dust suppression is actively in place, truck traffic up and down the Rainy Creek Road corridor will generate significant airborne fibers. During the hauling of excavated soil from the Export Plant to the Zonolite mine by W.R. Grace, air sample data collected between

October and November of 2000 at the Rainy Creek Road showed levels of airborne asbestos as high as 0.045 f/cc near the intersection of Rainy Creek Road and Highway 37 and drifting towards the trailers used by EPA and its contractors at the Screening Plant. The ditch and culvert systems along the shoulders of the Rainy Creek also contribute to migration of contaminated soil through erosion and run-off. The Rainy Creek Road corridor is also used for hunting, motorcycle riding, horseback riding, 4-wheel driving, and bicycling, all of these activities would tend to stir up the asbestos fibers found in and along the Road.

4. NPL status

The Site is currently not on the National Priorities List (NPL). However, as the ongoing removal investigation continues, and with new asbestos contaminated areas (e.g. schools' running tracks, Plummer Elementary School, residential homes, etc.) that have recently been identified, the EPA Superfund Site Assessment Team conducted a Listing Site Inspection (LSI) for the Libby Asbestos Site. Currently, a Hazard Ranking System (HRS) scoring package is being put together, and input is being sought from the public, as well as State and local elected officials as how to best proceed with the Site in the long term. Should the Site(s) be placed on the NPL, the current removal actions will be consistent with any remedial cleanup that might be taken due to the fact that the proposed actions constitute source control and consolidation measures.

B. Other Actions to Date

1. Previous actions

Removal Actions were initiated last year to begin cleanup of the amphibole asbestos at the Screening and the Export Plants. A summary of the status of these projects is given below, and a close out report for these activities can be found in the Site file. On July 14, 2000, W.R. Grace reacquired control of the mine and the KDC properties and immediately refused EPA access for all activities, including the use of the mine for a repository and the KDC parcels for cleanup. Subsequently, Grace allowed access for sampling investigations and oversight, but still withheld access for cleanup and disposal. On September 14, 2000, the Department of Justice (DOJ), on behalf of EPA, filed a lawsuit in the U.S. District Court in Missoula, Montana, against W.R. Grace - seeking full access to the KDC parcels and the mine. A brief hearing was held on December 20, 2000, and two Court ordered mediation sessions were held on January 25 & 29, 2001. However, the mediation proved fruitless, and the matter was sent back to the Court in Missoula. On March 9, 2001, the U.S. District Court in Missoula made a partial ruling (the issue of appropriate penalties was set off for a later date) in favor of the EPA. This ruling gave EPA full access to use the mine for a repository and to the KDC parcels for removal activities. On April 2, 2001, W.R. Grace & Co. filed for Chapter 11 bankruptcy protection. Because the UAO addressing the Export Plant was issued prior to

vermiculite found at the surface and in the subsurface in and around the High School track certainly is a clear example of this. At the Brownlee property unexfoliated vermiculite, confirmed to contain amphibole asbestos, lies uncontrolled in a family's backyard. At the Seifkie property the evidence clearly shows that the presence of the amphibole asbestos tainted equipment has led to the contamination of the Seifkie's home. Since both Mr. And Mrs. Seifkie have been diagnosed with asbestos-related disease, it is not difficult to link the risks to this exposure pathway. Although the need for the response actions were provided for in the May 23, 2000, Action Memorandum, it should be noted that copious quantities of amphibole asbestos contaminated soils and debris remain at the Export Plant and the Screening Plant (including the KDC parcels) awaiting final disposal.

2. 300.415(b)(2)(iii) Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers that may pose a threat of release:

There is a significant potential for continued exposure to nearby human populations. At the Screening Plant, there are 90,000 cubic yards of excavated soil and other debris contaminated with amphibole asbestos currently stockpiled, and waiting to be disposed at the Zonolite mine. In addition, at the KDC parcel known as the Kootenai Bluffs there are two discreet stockpiles of amphibole asbestos contaminated soil awaiting cleanup. Although, the main stockpile at the Screening Plant is covered with heavy HDPE materials, this is only an interim solution requiring a high level of maintenance. High winds could damage the stockpile cover, and cause the amphibole asbestos contaminated soil to be airborne. The Site must also be maintained to prevent erosion, and security must be provided to minimize the threat to the public by the bulk material stored on the Screening Plant.

3. 300.415(b)(2)(iv) High levels of hazardous substances in soils largely at or near the surface, that may migrate: At all of the locations discussed within this Action Memorandum there is the potential for the amphibole asbestos to migrate. This may happen by three principle mechanisms: bulk transport, wind and weather, human disturbance. The bulk transport mechanism is exactly what happened to cause the amphibole asbestos to become located at the Brownlee property, the three Libby Schools discussed herein, the Seifkie property, the KDC parcels at the Screening Plant, and portions of Rainy Creek Road. The common theme is that a party, usually completely unaware, or sometimes in some cases, indifferent to the amphibole asbestos content of the Libby vermiculite moves the material in bulk. This might be done to use the material as fill or sub-grade, or as a soil conditioner or garden supplement. The fact that this has happened so frequently in the past gives reason to believe it would happen again in the future if steps are not taken to prevent it.

That wind and weather may disturb this material, and thus spread the amphibole asbestos is best demonstrated by the conditions at the Zonolite Mine itself, or Rainy

Creek Road. At these locations, because of the general steepness of the terrain, and the proximity of the Rainy Creek drainage, amphibole asbestos material is eroding into the creek system. This material is then washed down further into the Kootenai River. Also, air sampling at the mine, and along Rainy Creek Road show that fibers will become airborne at measurable concentrations during ambient conditions (see Attachment 1). Although not likely to be as pervasive as at the mine and along Rainy Creek Road, these phenomena may occur at the other locations as well.

The migration of the amphibole asbestos through disturbance by human activities occurs at all of the locations discussed in this Action Memorandum. This memo has already discussed the observation of "secondary exposures," caused by people coming into contact with the amphibole asbestos in the Libby vermiculite, and tracking it to other locations. This may occur at anyplace where the amphibole asbestos is at or near the surface. Also, vehicle, foot, or horse traffic will also likely generate airborne asbestos fibers which may migrate for miles with the wind. This was clearly observed on Rainy Creek Road this past fall. This phenomena has been observed at many locations, and studied by EPA Region 9 in California (see Diamond XX Study in the Administrative Record). This type of event is particularly insidious because it is very difficult to observe and measure due to its periodic nature. Because of this the EPA has set up several "exposure scenarios" which were closely monitored. The results from these events all showed that when this material is disturbed airborne fibers will be generated (see Attachments 1, 3, and 5). Of course once airborne, the fibers will migrate whichever way the wind blows.

4. 300.415(b)(2)(v) Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released: The semi-arid climate of the area is characterized by harsh winters and hot summers. This type of climate accentuates the spread of contaminants through wind and/or erosion. The Spring season typically introduces an abrupt freeze/thaw and a quick snow melt, providing extra energy to the dispersion of the contaminants. This type of climate also increases the necessity for maintenance activities, repair, or replacement of paved surfaces, such as on the school running tracks. It is just this type of maintenance that would expose workers to the amphibole asbestos around the track, and also cause its spread. The Libby area is also subject to heavy winter inversions, trapping particulate matter and airborne fibers in the Libby Valley, thus aggravating exposures.

5. 300.415(b)(2)(vii) The (lack of) availability of other appropriate federal or state mechanisms to respond to the release: No other Local, State, or Federal agency is in the position or has the resources to independently implement an effective response action to address the on-going threats presented at the site. EPA will coordinate its actions with State and Local authorities.

the bankruptcy filing, Grace will continue work at the Export Plant with EPA oversight. However, in order to expedite the other actions they will be done as fund lead responses

a. The Export Plant: After working through several drafts of work plans set forward by Grace, removal actions began in August 2000 on the Export Plant. On October 2, 2000, W.R. Grace moved the Millwork West's lumber operations (the current Site Tenant) to a temporary location off Highway 2 in Libby. The five buildings on the property, the Pole Barn, Planer Shop, Warehouse, Lumber Storage, and a Small Shed underwent decontamination and abatement actions, which were completed by December 2000. In general, decontamination of the buildings consists of removal of interior walls, wooden floor, and roof; power washing inside the building; and spraying encapsulant to the interior walls. Preliminary inspections of the buildings looked promising in terms of asbestos removal, but the buildings suffered considerable damage from these efforts. Reinspection and sampling of the buildings this past Spring revealed the presence of asbestos contaminated vermiculite and other asbestos bearing materials working their way out of the cracks, joists, and walls of the buildings. Also, because of the heavy damage sustained during abatement, it appeared doubtful whether the buildings could be adequately restored in their current condition. Because of this, the EPA will direct Grace to demolish the buildings, while alternative restoration plans are being developed.

Removal work at the Export Plant also included the excavation of amphibole asbestos laden soil, with Grace choosing to dispose of this material at the mine. Over 14,149 cubic yards of contaminated soil was excavated and removed to the mine. About 12,500 cubic yards of borrow material was used to backfill the property. The final grading work remains to be done.

Recent sampling conducted in May 2001 detected (up to 35% by PLM) amphibole asbestos on the west side of the Export Plant's former operations, apparently spanning the City of Libby's property and nearby residential areas. This area remains to be excavated, and EPA will direct Grace to do so this summer.

b. The Screening Plant: The Screening Plant is divided into five parcels: two owned by KDC, one by the Wise family, and the largest parcel owned and operated by the Raintree Nursery. The northern and southern ends of the Raintree Nursery property, and all of the Wise property have been completely excavated and partially backfilled, awaiting final grading this summer. In addition, all of the structures on the Raintree parcel were demolished, with the exception of one building, known as the Long Shed. As discussed earlier, because of the denial of access the EPA could not remove the contaminated soil from the KDC parcels, nor affect final disposal of the excavated material last summer. As a result, EPA stockpiled approximately 90,000 cubic yards of asbestos contaminated soil, and 5,000 cubic yards of debris in the center portion of the Raintree Nursery property in and adjacent to the Long Shed. The stockpile was covered, and a run-on/run-off control system was installed to minimize erosion from the property. On November 20, 2000, removal operations were terminated for the season due to the harsh winter conditions. Prior to demobilization a total of 45,000 cubic yards of backfill was placed in